

## Message Text

CONFIDENTIAL

PAGE 01 STATE 143722

41

ORIGIN EA-14

INFO OCT-01 ISO-00 EB-11 L-03 CIAE-00 DODE-00 PM-07 H-03

INR-10 NSAE-00 NSC-07 PA-04 RSC-01 PRS-01 SP-03 SS-20

USIA-15 FEA-02 AEC-11 AID-20 CEA-02 CIEP-02 COME-00

FPC-01 INT-08 OMB-01 SAM-01 SCI-06 STR-08 TRSE-00

/162 R

DRAFTED BY EA/IMS:ADORNHEIM:LRR

APPROVED BY EA - LESTER EDMOND

EA/IMS - MR. HEAVNER

EA/J - MR. PIEZ

EB/FSE - MR. CREEKMORE

L/E - MR. PITMAN

----- 130616

R 031518Z JUL 74

FM SECSTATE WASHDC

TO AMEMBASSY JAKARTA

AMEMBASSY TOKYO

C O N F I D E N T I A L STATE 143722

E.O. 11652:GDS

TAGS: ENRG, ID

SUBJECT: INDONESIAN LNG

REF: A. JAKARTA 8133; B. TOKYO 8568; C. JAKARTA 7859

1. COMMENTS IN REFTELS REINFORCE DEPARTMENT'S INITIAL REACTION THAT LITTLE OR NO HELP WOULD BE RENDERED PACIFIC LIGHTING AT THIS TIME BY MAKING APPROACH TO MITI WHICH RENSCH REQUESTED. STAGE SEEMS TO BE SET FOR AOTHER PACIFIC LIGHTING EFFORT AT NEGOTIATION. SEE BELOW.

2. INGERSOLL HAS REPLIED TO RENSCH, STATING BELIEF THAT REQUESTED APPROACH TO MITI WOULD SOON BECOME KNOWN TO  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 143722

GOI AND WOULD NOT BE TO ADVANTAGE EITHER OF PACIFIC LIGHTING

OR OF UNITED STATES. DEPT ASSURED RENSCH IT WANTED TO  
HELP WHERE IT COULD AND ASKED TO BE KEPT INFORMED.

3. COMMENTS TO DEPTOFF ON JULY 2 BY TODD AND KEITH  
MCKINNEY OF PACIFIC LIGHTING LEND FURTHER SUPPORT FOR A  
COURSE OF INACTION IN TOKYO AT THIS TIME TODD REPORTS  
THAT AFTER RECEIVING RATHER CURT PUT-UP-OR-SHUT-UP TELEX  
FROM TIRTO IN EARLY JUNE, HE TT-EPHV NED TIRTO. IN THAT  
CONVERSATION HE SAID PERTAMINA'S 30-CENT PRICE DIFFERENTIAL  
NOT FEASIBLE AND EXPLAINED AT FURTHER LENGTH WHAT HIS  
COMPANY HAD IN MIND BY ITS WEST COAST EQUIVALENT FUEL PRICE  
FORMULA. TODD THEN ASKED WHETHER HE SHOULD REPLY TO TELEX

OR WHETHER TIRTO WISHED TO THINK FURTHER ABOUT WHAT TODD  
HAD TOLD HIM. TIRTO SAID TO HOLD UP ANSWERING TELEX.  
TODD SAID HE SERIOUSLY CONSIDERING TRYING TO ARRANGE  
MEETING WITH IBNU DURING LATTER'S TRIP TO U.S. LATER THIS  
MONTH. BOTH TODD AND MCKINNEY COMMENTED THAT NEGOTIATIONS  
IN PROGRESS BETWEEN ALGERIA AND EAST COAST BUYERS COULD  
ESTABLISH GENERALLY ACCEPTED FORMULA FOR DETERMINING WORLD  
MARKET PRICE FOR LNG AND THAT PERTAMINA AS WELL AS PACIFIC  
LIGHTING AWAITING OUTCOME. EAST COAST BUYERS SAID TO BE  
PROPOSING EQUIVALENT FUEL PRICE FORMULA SIMILAR TO ONE  
PACIFIC LIGHTING IS PROPOSING.

4. DEPTOFF TOLD TODD IN CONFIDENCE THAT PERTAMINA  
OFFICIAL'S SALES ACTIVITY IN TOKYO (REPORTED BY RENSCH)  
PROBABLY BASED ON MORE OPTIMISTIC ESTIMATE BADAK GAS  
RESERVES THAN PREVIOUSLY BELIEVED. TODD RESPONDED WITH  
REPORT THAT MOBIL EXPLORATIONS HAD LIKEWISE UPPED ESTIMATE  
OF ARUN RESERVES. SISCO

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** NATURAL GAS, SALES, CONTRACTS, PRICES, NEGOTIATIONS, INTERGOVERNMENTAL COOPERATION  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 03 JUL 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** shawdg  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974STATE143722  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** ADORNHEIM:LRR  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D740176-1053  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19740776/aaaacnlq.tel  
**Line Count:** 92  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN EA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** A. JAKARTA 8133; B. TOKYO 8568; C. J, AKARTA 7859  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** shawdg  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 24 JUL 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <24 JUL 2002 by elyme>; APPROVED <20 FEB 2003 by shawdg>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** INDONESIAN LNG  
**TAGS:** ENRG, ID, JA, PERTAMINA, PACIFIC LIGHTING  
**To:** JAKARTA TOKYO  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005